

Economic Benefits of Greenways



Tourism

Greenways are often major tourist attractions which generate expenditures on lodging, food, and recreation-oriented services.

A poll conducted by the President's Commission on Americans Outdoors found that natural beauty was the single most important criterion for tourists in selecting outdoor recreation sites (Scenic America, 1987).

The Heritage trail in rural Iowa has 135,000 visitors a year that generate \$1.2 million dollars a year in direct revenue.

Corporate and Family Relocation

Evidence shows that the quality of life of a community is an increasingly important factor in corporate relocation decisions. Moreover, greenways are often cited as important contributors to quality of life and help improve the overall appeal of a community to prospective new residents.

An annual survey of chief executive officers conducted by Cushman and Wakefield in 1989 found that quality of life for employees was the third most important factor in locating a business. (NPS, 1990).

The Joint Economic Committee of the U.S. Congress reports that city's quality of life is more important than purely business-related factors when it comes to attracting new businesses, particularly in the high-tech and service industries. (Scenic America, 1987).

A study of 800 homebuyers in Texas, California, North Carolina, Florida, and Georgia in 1994 found that bike paths, hiking trails, and "outdoor living rooms" are among the amenities that Americans look for - and are willing to pay a premium for - when buying a home (Washington Post, January 1995).

Real Property Values

Many studies demonstrate that parks, greenways and trails increase nearby property values. In turn, increased property values can increase local tax revenues and help offset greenway acquisition costs.

A greenbelt in Boulder, Colorado increased aggregate property values for one neighborhood by \$5.4 million, resulting in \$500,000 of additional annual property tax revenues. The tax alone could recover the initial cost of the \$1.5 million greenbelt in three years. (Cornell, Lillydahl, and Singel, 1978).

In the vicinity of Philadelphia's 1300 acre Pennypack Park, property values correlate significantly with proximity to the park. In 1974, the park accounted for 33% of the value of land 40 feet away from the park, 9% when located 1,000 feet away, and 4.2% at a distance of 2500 feet. (Hammer, Coughlin and Horn, 1974).

A 1994 study in the Denver area found that trails are an amenity to the neighborhoods around them. Of the real estate agents interviewed, 73% believed a home adjacent to a trail would be easier to sell and 55% agreed the home would sell for more than a comparable home in a different neighborhood.

Public Cost Reduction

The conservation of rivers, trails, and greenways can help local governments and other public agencies reduce costs resulting from flooding and other natural hazards.

In Boulder, Colorado, the 1988 public cost for maintaining developed areas was estimated to be over \$2500 per acre. The cost for maintaining open space in the city was only \$75 per acre, or less than three percent the cost of non-open space. (Crain, 1988).

Expenditures by Residents

When residents have desired recreational opportunities close to home, they spend more recreational time in their local communities. Dollars that would otherwise have been spent on recreation-oriented services in a vacation destination far from home, are now kept in the local economy.

Residents are increasingly spending vacations closer to home, thus spending increasing amounts of vacation dollars within the boundaries of the state (NPS, 1990).

In 1988, recreation and leisure was the third largest industry in California. More than \$30 billion is spent each year by Californians on recreation and leisure in their state. (California Department of Parks and Recreation, 1988).

For more information:

Brazos Greenways Council
P.O. Box 10178
College Station, TX 77842
979-693-8495

City of College Station
Greenways Program Manager
2613 Texas Ave.
College Station, TX 77840
979-764-3844
e-mail: jdowns@ci.college-station.tx.us



This information was prepared with the assistance of the
National Park Service Rivers, Trails, and Conservation Assistance Program